



DEPARTMENT OF THE NAVY  
OFFICE OF THE ASSISTANT SECRETARY  
(FINANCIAL MANAGEMENT AND COMPTROLLER)  
1000 NAVY PENTAGON  
WASHINGTON, D. C. 20350-1000

7300.3  
FMO-323  
MAY 1 1998

MEMORANDUM FOR DISTRIBUTION

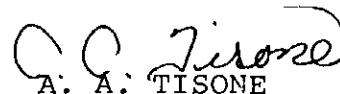
Subj: CLEARING PROBLEM DISBURSEMENTS APPROVED FOR  
DISCONTINUED RESEARCH

Encl: (1) Procedures to Clear Discontinued Research Problem  
Disbursements in STARS

Enclosure (1) provides Department of the Navy (DON) procedures for clearing overaged problem disbursement transactions approved for discontinued research in the Standard Accounting and Reporting System-Headquarters Claimant Module (STARS-HCM) and STARS-Field Level (STARS-FL). Enclosure (1) is applicable for negative unliquidated obligations (NULOs) and unmatched disbursements (UMDs). Guidance will be issued under separate cover for clearing NULOs and UMDs in the Marine Corps, Foreign Military Sales and Navy Working Capital Fund accounting systems. To ensure complete implementation of these procedures, DON addressees are requested to disseminate enclosure (1) guidance to their fund authorization holders (FAH) supported by STARS-HCM and STARS-FL.

In addition, the Defense Finance and Accounting Service-Cleveland Center (DFAS-CL) is requested to initiate any system change requests necessary for STARS-HCM and STARS-FL to accept the unique subhead/document number match and job order number/document number prescribed in enclosure (1). DFAS-CL is also requested to develop a methodology to identify and cross reference these cleared NULO and UMD transactions on the transaction history files of these systems for audit purposes, and to provide reports/inquiries, as necessary, for FAH usage.

My point of contact for questions on this subject is Mr. Bill Fuller, who may be reached at (202)685-6752/e-mail: fuller.bill@fmo.navy.mil.

  
A. A. TISONE

Director  
Office of Financial Operations

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DISCONTINUED RESEARCH

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**PROCEDURES TO CLEAR DISCONTINUED RESEARCH  
PROBLEM DISBURSEMENTS IN THE STANDARD ACCOUNTING AND  
REPORTING SYSTEM (STARS)**

**I. GENERAL**

a. The Department of Defense Financial Management Regulation 7000.14-R, Volume 3, chapter 11, paragraph 1107 provides the minimum research criteria to determine whether a problem disbursement transaction is a candidate for discontinuance of research. Paragraph 1108 in the same Volume provides minimum criteria for requesting approval to discontinue further research efforts. Discontinuance of research is the means by which FAH may request to forgo further research of specific problem disbursements over 180 days old, where continued research efforts are considered to be fruitless and not cost effective.

b. FAH must record an administrative obligation for the net dollar value of UMDs or an increase in the existing obligation value for NULOs to cover these problem disbursements considered eligible for discontinuance of research.

c. FAH must coordinate their request to discontinue research with their servicing Defense Finance and Accounting Service (DFAS) activity prior to forwarding it for approval to the Office of the Assistant Secretary of the Navy (Financial Management and Comptroller).

**II. SCOPE.** This guidance is applicable to problem disbursements over 180 days old, specifically NULOs and UMDs, in STARS-HCM and STARS-FL.

**III. STARS-HCM**

a. NULOs. FAH shall record an increase in obligations against any existing NULOs identified for discontinued research. If the number of discontinued research transactions is minimal, the FAH will manually increase the existing obligation within the accounting system; otherwise, the FAH can request DFAS to modify the existing NULO recycle program to do this mechanically. Whether done manually or mechanically, this obligation will be uniquely identified programmatically, with a three digit identifier code, "DRS," to distinguish the NULO as a discontinued research transaction on the history file for audit purposes.

**ENCLOSURE (1)**

Specific instructions on the use of this code will be provided as soon as they are known. (NOTE: If an administrative obligation has previously been recorded to cover the total value of overaged NULOs, FAH will reduce the total obligation by the value of the NULOs approved for discontinued research and reestablish the obligation against the value of the remaining NULOs.)

b. UMDs

(1) FAH shall establish an administrative obligation with the unique subhead and document number prescribed below for discontinued research UMDs. (NOTE: If an administrative obligation has previously been recorded to cover the total value of overaged UMD transactions, FAH will reduce the total obligation by the value of the UMDs approved for discontinued research and reestablish the obligation against the value of the remaining UMDs, as provided below):

(a) Subhead

- . Position 1 - Claimant Identifier
- . Position 2 - Activity Group "Y"
- . Positions 3 and 4 will be "DD" to denote obligations for discontinued research

**EXAMPLE: 8YDD**

(b) Document Number

- . Position 1 will be N for Navy
- . Positions 2 through 6 will be the unit identification code (UIC) of the FAH recording the obligation
- . Positions 7 and 8 will be the same as the beginning fiscal year of the appropriation in the line of accounting (LOA)
- . Positions 9 and 10 will be "MD" to denote a miscellaneous document type
- . Position 11 will be "D" to denote a discontinued research transaction

- . Positions 12 through 15 will be the four character Treasury Symbol of the appropriation in the LOA

**N + UIC + FY + MD + D + Treasury Symbol**

**EXAMPLE: N 00024 98 MD D 1804**

(2) UMDs will be mechanically removed by DFAS-CL from the Journal Voucher Report file and posted against the discontinued research obligation. Necessary Standard Form (SF) 1081 adjustments will be generated programmatically. Whether done manually or mechanically, this obligation will be uniquely identified programmatically with the three digit code, "DRS," to distinguish the UMD as a discontinued research transaction on the history file for audit purposes. Additionally, a cross reference data field will be added to the history file by DFAS-CL to link the original UMD document number/subhead and the discontinued research document number; i.e., the cross reference field for the UMD record would show the miscellaneous document number, or the cross reference field for the miscellaneous document number would show the document number and subhead from the original UMD.

IV. STARS-FL. In the case of UMDs, the FAH shall establish an administrative obligation using either the basic job order number (JON) or the modified JON, with the existing document number of the UMD. (NOTE: If an administrative obligation has previously been recorded for overaged UMD transactions, FAH will reduce the total obligation by the value of the UMDs approved for discontinued research and reestablish the obligation against the value of the remaining UMDs, as provided below):

a. Basic JON

- . Positions 1 through 5 will be the UIC of the FAH recording the obligation
- . Position 6 will be the same as the last digit of the beginning fiscal year of the appropriation in the LOA
- . Positions 7 and 8 will be "DD" to denote a discontinued research transaction
- . Positions 9 through 11 will be "666"

**UIC + FY + DD + 666**

**EXAMPLE:      CNO OB LOA**

**BASIC JON**

**1781804.11CP 00038 0**

**00038 8 DD 666**

**b.    Modified JON**

- . Positions 1 through 5 will be the UIC of the FAH recording the obligation
- . Position 6 will be the same as the last digit of the beginning fiscal year of the appropriation in the LOA
- . Positions 7 and 8 will be "DD" to denote a discontinued research transaction
- . Position 9 will be the last position of the appropriation in the LOA
- . Position 10 will be the third position of the appropriation subhead in the LOA
- . Position 11 will be 0 (zero) if the LOA represents an operating budget holder; if LOA represents a suballotment, position 11 will be the suballotment code

**UIC + FY + DD + APPROPRIATION + SUBHEAD + 0 OR SUBALLOTMENT**

**EXAMPLES:      CINCLANTFLT OB LOA**

**MODIFIED JON**

**1781804.60CA 57095 0**

**57095 8 DD 4C0**

**CNO Suballotment LOA**

**MODIFIED JON**

**1781810.11C0 00011 2**

**00011 8 DD 0C2**

c. Document Number. Use the existing document number of the UMD to clear the transaction to the discontinued research JON and remove it from general ledger account 1960.

V. REPORTS. Reports will be provided through INFOPAC. These reports will provide an audit trail showing where the original transaction was recorded and the STARS-HCM miscellaneous document number or STARS-FL JON against which the original transaction was applied.